

~~CONFIDENTIAL~~  
~~TOP SECRET~~

ING/A-66  
Control No.  
1 September 1954

AGENDA FOR 66th MEETING

INTELLIGENCE WORKING GROUP

10:30 a.m., 2 September 1954  
Room 2E859, The Pentagon

1. Proposed Change of Name of the IWG
2. Consideration of Study on Consequences of Relaxation of Controls
3. Consideration of Study on Consequences of Differential Controls
4. Clarification of IWG Assessment of Commodity Intelligence  
Following JOC Completion of II-II Quota Determinations

*5. OIR Programming*

25X1A9a

  
Executive Secretary  
Intelligence Working Group

Distribution

Cat. B - (1-5, 9-12)  
C - All  
D - All

~~CONFIDENTIAL~~  
~~TOP SECRET~~

~~CONFIDENTIAL~~

1 September 1954

MEMORANDUM FOR: Chief, E/C 25X1A9a  
Attention: [REDACTED]

SUBJECT: IWG Activity Report for August 1954

IWG activity during the month of August increased significantly with two meetings being held. The IWG Secretariat was especially active, both in the preparation of material for these meetings and in conducting interagency liaison on problems of IWG interest. Additionally, progress was achieved in the reactivation of the Report Control Desk of D/E/RR, an assigned responsibility of the IWG Secretariat.

The Secretariat was principally occupied during August in preparing the initial draft of the Second Annual Progress Report of the IWG. This draft was coordinated within the Division, with Ch/C, and was reviewed in detail by members of the IWG. A revised draft was approved by the IWG and arrangements were made by the Secretariat for reproduction of the final report for submission to AD/RR (for information of IAC) by 15 September.

The problem of MDAC requirements for shipping and cargo data received IWG consideration during the month. The Executive Secretary attended (in company with Mr. Levy of E/C(t)) a meeting of ONI, OSD and MDAC representatives held in the office of Capt. Robert McFarlane, Chief, Intelligence Division, ONI. The purpose of the meeting was to review in detail IWG/AM-22, "MDAC Requirements for Shipping and Cargo Data", and to determine how much responsibility could be assumed by ONI in fulfilling the requirements outlined in the IWG memorandum. This subject was subsequently reviewed in the two August meetings where a decision was made for handling of the matter outside the IWG. A report on the meeting held in ONI was drafted jointly

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

Approved For Release 2000/08/03 : CIA-RDP62-00328A000100480058-1

by the CIA attendees and furnished to Ch/C and Chief, D/E.

Representatives of MDAC, State (OIR and EDS), Commerce, and CIA were designated to the IWG Subgroup on "Intelligence on Trade in Decontrolled Commodities", established late in July. In connection with the assignment of this Subgroup, the Executive Secretary collaborated with the MDAC, Commerce and OSD members in preparation of a ~~xxxxxx~~ "Check List of COCOM and JOC Actions". This list will assist military agency representatives of IWG in preparation of lists of those commodity items of particular interest to their respective service.

The IWG discussed further the matter of establishing a permanent record of the intelligence contributions made to JOC during the security list review, *and of providing JOC with additional guidance.* In the course of these discussions, the FCA member pointed out that the method of assembling intelligence for COCOM presentation was not satisfactory and resulted in a product which in many cases was not persuasive in COCOM negotiations. The need for better coordination in presentation of intelligence among the intelligence agencies, JOC, and the U.S. Delegation was emphasized in order that future intelligence on commodities present a more balanced picture of Soviet capabilities and deficiencies. ~~Since~~ Since JOC has already made its recommendations on IL-II quotas for September meetings of COCOM, the IWG is now faced with a total assessment of the adequacy of the intelligence provided JOC, rather than in providing intelligence on the quota items.

A major task was laid on the IWG by MDAC in its request for assistance in preparing two papers to be submitted by the U.S. Delegation to the fall session of COCOM. An MDAC paper - "Progress Report on Soviet Trade Trends and Tactics Program" - was distributed for information of members under cover of IWG/AM-23. This paper described the progress made to date

Approved For Release 2000/08/03 : CIA-RDP62-00328A000100480058-1

~~CONFIDENTIAL~~

within the Government in implementing the U.S. decision "to promote the consideration of Soviet trade trends and tactics within the Consultative Group structure." Specifically, CIA was requested through the IWG to assist in the preparation of papers on "Soviet Bloc Participation in Trade Fairs" and "Soviet Bloc Exporting of Petroleum." A memorandum outlining the MDAC request was furnished for guidance to the chief of each research division in the E Area.

Discussions were held during August with representatives of the E Area regarding the preparation of intelligence support papers in response to an earlier Commerce request for information on the importance of selenium and electrolytic manganese to the Soviet bloc. The difficulties encountered in processing this request, involving the IWG Executive Secretary, D/E coordinators, ST/PR and the producing element in the E Area, highlighted the need for ground-rules to accommodate such requests. Accordingly, meetings were held between members of D/E (including the Executive Secretary, IWG) and the E Area research divisions. From these discussions there evolved an agreed procedure which would enable producing analysts in the E Area to assist in the screening of requests from MDAC agencies through personal contact with the requester. There still remains the problem, however, of clarifying the placing of Commerce requests upon this Agency since some are submitted by the Coordinator, Technical Task Groups (also, Commerce member on IWG), and others are received by D/E/C directly through attendance ~~at~~ at JOC meetings. Tentative arrangements have been made for a meeting of members of the ACRP staff, D/E/C, IWG, and the E Area to decide upon one channel for such requests.

The Executive Secretary collaborated with [REDACTED] 25X1A9a consultant, in the preparation of a report on "The Intelligence Report Required for Economic Warfare." The IWG may be called upon to undertake a study of the intelligence support that would be required in connection with interagency planning for the conduct of economic warfare in time of war. Following review of [REDACTED] report, it is anticipated 25X1A9a that it will be tabled for IWG consideration. In connection with this problem, the AFOIN member has suggested that ~~therein~~ be given to revising IWG Terms of Reference to authorize the IWG to concentrate upon economic warfare specifically, in addition to its present assigned responsibilities.

and E/C

In connection with preparation of a statement on D/E/missions and functions, the Executive Secretary drafted a statement on the functions and procedures of the IWG Secretariat, and met with other Division staff members in revisions of the several statements. A memorandum outlining for the information of officers of D/E and Ch/C the pending problems of IWG was prepared. It is anticipated that this first in a series of weekly statements will serve as an agenda "tickler" and as a means of keeping Division personnel abreast of IWG problems for which they have responsibility.

25X1A9a

[REDACTED] continued to work under heavy pressure in handling all typing, reproduction, distribution and filing of IWG and EDAC material. In addition, under supervision of the Executive Secretary, she established a new system of files to handle all international and U.S. export control material. A total of 308 cables were scanned and marked for filing. The Reading Panel was advised to resume routing of cables to the Export Control Desk after such service had been temporarily discontinued on instructions from a member of E/ST. Arrangements were made for filing in the CIA Library

copies of several categories of I/G documents following repeated requests from the DD/P area for such material. In addition to normal distribution, copies of I/G documents were furnished upon request to the G-2 Document Library for use of the Intelligence Branch of the Corps of Engineers; AFIC at Wright Field; USRO Paris; and within the Agency. Approximately 30 separate fax requests for information and/or documents concerning COCOM, EDAG or I/G were received and processed during the month by [REDACTED] 25X1A9a This heavy work load on both I/G and export control points up the urgent need of assigning additional personnel to assist [REDACTED] 25X1A9a

An interesting project was posed for the I/G at the last meeting of I/G by an ONI representative, who reported on recent successful efforts in tracing, through financial surveillance, the clandestine movement of strategic commodities to the Soviet bloc. He suggested that this points up for I/G consideration the need for more thorough intelligence exploitation of this technique in the enforcement of controls.

[REDACTED]  
Executive Secretary  
Intelligence Working Group

25X1A9a